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LB 622, 759

SENATOR RAIKES: Thank you, Mr. President and members. In response to questions raised by Senator Beutler and some others, I've come up, or tried to do the best I can to come up, with some information about the net impact on cities that would occur as a result of all the other budget actions with the amendment I'm offering here, and without that amendment. If you...and it's a little bit rough. I've got a few copies. I decided not to hand it out because it might be confusing, but if some of you would like a copy, I'd be more than happy to provide it. If you look at what has happened with the appropriations efforts, and those affecting cities are the aid to municipalities, MRF, Municipal Infrastructure Redevelopment Fund, the total negative impact to cities of those changes in the appropriations package over if there had been no change at all, no cuts, is a minus \$8.6 million. If you look at the MEF program, the Municipal Equalization Fund, the one that's the subject of this amendment, if there were no change...well, let's see, if the amendment were adopted, that would amount to a 5.3, if I'm reading my own numbers correctly, that would amount to about \$5.3 million reduction to cities. If you look at the impact of LB 759, if it is enacted with the broadened sales tax base, that is a plus \$16 million, total for the biennium for all cities. The net change if you do not do this amendment, if you don't adjust the MEF program, the change to cities estimate compared to no cuts at all or no change at all for cities would be a plus \$7.5 million. With this amendment it is still a plus \$2.2. So again, my point is this. If you look at it in terms of how cities are being treated as compared to the current base with no cuts, they're better off even with this amendment. If you look at the total impact on cities as compared to other local governments, counties, which are down probably \$10 million, maybe Senator Wehrbein can give us the exact number, school districts, which are probably down well close to \$100 million, the net impact with this amendment is, I think, more than fair, more than appropriate. It represents good policy in terms of what we should do as custodians of state funds in this particular sort of a fiscal situation. So again, I would be happy to address questions, but I think this is an appropriate modification of this formula for us to make, and I would urge you to support this amendment. Thank you.